

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 USIA-06
EB-08 TRSE-00 OMB-01 SOE-02 DOE-15 NRC-05 HEW-04
OES-07 /103 W
-----100399 231045Z /10

R 221700Z MAR 78
FM AMEMBASSY LUXEMBOURG
TO SECSTATE WASHDC 6301
INFO EC COLLECTIVE

C O N F I D E N T I A L SECTION 1 OF 2 LUXEMBOURG 0322

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E.O. 11652: GDS
TAGS: PERP, LU
SUBJ: LUXEMBOURG INTERNAL POLITICS - SPRING 1978

SUMMARY: PRIME MINISTER GASTON THORN'S PERSONAL POPULARITY
REMAINS HIGH AFTER NEARLY FOUR YEARS IN OFFICE, BUT HIS
LIBERAL/SOCIALIST COALITION GOVERNMENT IS COMING UNDER IN-
CREASING FIRE BECAUSE OF LUXEMBOURG'S POOR ECONOMIC PERFORMANCE
AND BECAUSE OF THE GOVERNMENT'S SUPPORT FOR CONTROVERSIAL
NUCLEAR ENERGY AND ADORTION MEASURES. THERE IS LITTLE CHANCE
THAT THE COALITION WILL DISSOLVE BEFORE THE LEGISLATIVE
ELECTIONS SCHEDULED FOR MAY 1979. THOSE ELECTIONS WILL PROB-
ABLY RESULT IN ANOTHER LIBERAL/SOCIALIST COALITION GOVERNMENT
BUT THE OPPOSTIION CHRISTIAN SOCIAL PARTY (CSP) COULD GAIN
SIGNIFICANT VOTES AND SEATS IF THE ECONOMY REMAINS STAGNATE.
IF THE CSP MAKES MAJOR GAINS -- AND THREE TO FIVE ADDITIONAL
SEATS IN THE FIFTY-NINE MEMBER CHAMBER OF DEPUTIES WOULD
REPRESENT MAJOR GAINS BY LUXEMBOURG STANDARDS -- THE RESULT
WOULD BE A CONFUSED AND PERFAPHS PROLONGED SEARCH FOR A NEW
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GOVERNING ALLIANCE. LUXEMBOURG'S ELECTIORAL SYSTEM MAKES IT
DIFFICULT IF NOT IMPOSSIBLE FOR ANY ONE PARTY TO WIN AN
ABSOLUTE MAJORITY IN THE CHAMBER OF DEPUTIES AND GOVERNMENT
BY COALITION HAS BEEN THE PATTERN SINCE THE END OF WORLD WAR II.
IT IS TOO EARLY TO PREDICT HOW THE BALANCE OF FORCES AFTER 1979
WILL TRANSLATE INTO A VIABLE MAJORITY, BUT IT IS CLEAR THAT
THE CSP WOULD HAVE IDEOLOGICAL DIFFICULTIES ALLYING WITH THE

SOCIALISTS (CSP) AND PERSONALITY DIFFICULTIES ALLYING WITH THE LIBERALS -- BOTH LIBERAL LEADER THORN AND CSP LEADER AND FORMER PRIME MINISTER PIERRE WERNER WOULD PROBABLY ACCEPT ONLY THE PRIME MINISTERSHIP IN ANY COALITION GOVERNMENT. THORN'S INTERESTS ARE , THUS, FIRMLY LINKED TO A CONTINUATION OF THE PRESENT LIBERAL/SOCIALISTS ALLIANCE. HE CAN BE EXPECTED TO SPEND MORE TIME AND ENERGY ON DOMESTIC POLITICS -- AND LESS ON INTERNATIONAL ISSUES -- BETWEEN NOW AND 1979. END SUMMARY.

1. LESS THAN A YEAR AFTER THE THORN GOVERNMENT TOOK OFFICE IN JUNE 1974 THE ECONOMY BEGAN SLIDING INTO THE WORST RECESSION LUXEMBOURG HAS KNOWN SINCE THE END OF WORLD WAR II. THE GOVERNMENT IS GENERALLY GIVEN CREDIT FOR MANAGING THE CRISIS SKILLFULLY AND LIMITING THE DAMAGE TO THE EXTENT POSSIBLE, BUT IT HAS BEEN UNABLE TO REVERSE A TREND NOW RUNNING FOR THREE CONSECUTIVE YEARS OF RISING UNEMPLOYMENT, ECONOMIC STAGNATION AND GROWING TRADE DEFICITS. THAT THESE ECONOMIC ILLS RESULT FROM FACTORS LARGELY BEYOND THE GOVERNMENT'S CONTROL -- THE EUROPEAN-WIDE STEEL CRISIS AND RUNAWAY ENERGY COSTS -- DO NOT MAKE THEM ANY MORE PALATABLE TO LUXEMBOURG VOTERS. THE RESULT HAS BEEN A STEADY INCREASE IN POLITICAL, PRESS AND PUBLIC CRITICISM OF THE GOVERNMENT'S ECONOMIC POLICIES.

2. IN AN ATMOSPHERE OF HEIGHTENED CONCERN ABOUT THE ECONOMY, THE GOVERNMENT HAS HAD TO COME TO GRIPS DURING THE LAST SIX MONTHS WITH TWO EXTREMELY DIVISIVE ISSUES -- NUCLEAR ENERGY AND ABORTION --
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WHICH THREATEN A FURTHER EROSION OF PUBLIC SUPPORT. THE NUCLEAR ISSUE CENTERS ON A PROPOSED NUCLEAR POWER PLANT NEAR THE SMALL TOWN OF REMERCHEN ON THE MOSELLE RIVER, A CENTERPIECE OF THE GOVERNMENT'S LONG TERM ENERGY POLICY. NUCLEAR POWER PROJECTS CREATE PUBLIC CONCERN HERE AS ELSEWHERE, AND THE GOVERNMENT'S ECONOMIC AND TECHNICAL ARGUMENTS HAVE SO FAR FAILED TO RALLY SUPPORT FOR WHAT IS SEEN AS A MASSIVE CAPITAL INVESTMENT IN A DUBIOUS, AND PERHAPS HARMFUL TECHNOLOGY. EVEN THE SOCIALIST PARTY, WHOSE LEADERS SUPPORT THE REMERCHEN PROJECT, ADOPTED A RESOLUTION AT A RECENT PARTY CONGRESS WHICH MAY HAVE THE EFFECT OF POSTPONING LEGISLATIVE ACTION INDEFINITELY (77 LUXEMBOURG 1065). THE DIFFICULTY IS THAT LUXEMBOURG MUST MOVE RAPIDLY ON THE PROJECT OR FACE THE POSSIBILITY THAT FRANCE WILL BUILD A SLIGHTLY LARGER NUCLEAR PLANT ON THE FRENCH SIDE OF THE MOSELLE RIVER A FEW MILES UPSTREAM. TO FORCE A VOTE ON THE PROJECT, HOWEVER, WITHOUT ALLAYING PUBLIC MISGIVINGS WOULD BE POLITICALLY DISASTROUS.

3. THE ABORTION ISSUE IS EQUALLY DICEY. BOTH THORN'S LIBERAL PARTY AND THE SOCIALIST PARTY CALLED FOR ABORTION REFORM IN THEIR 1974 CAMPAIGN PLATFORMS. PRESSURE WITHIN BOTH PARTIES, AND A SINCERE CONVICTION ON THE PART OF LIBERAL AND PS LEADERS

THAT THE PROSENT PUNITIVE ABORTION LAW IS OUT-MODED AND UNJUST, RESULTED IN THE INTRODUCTION OF AN ABORTION REFORM BILL AT THE BEGINNING OF THIS YEAR. THE BILL'S PROVISIONS WOULD PERMIT ABORTIONS PAID FOR BY SOCIAL SECURITY IF RECOMMENDED BY A PHYSICIAN UP TO TWELVE WEEKS AFTER CONCEPTION. THIS PROPOSAL COULD HARDLY FAIL TO SET OFF AN ACCRIMONIOUS, EMOTIONAL DEBATE IN A COUNTRY WHICH IS 98 PERCENT CATHOLIC. THE OPPOSITION CHRISTIAN-SOCIAL PARTY AND ITS MASS CIRCULATION DAILY LUXEMBOURG WORT (EDITED BY A CATHOLIC PRIEST) FORTHWITH LAUNCHED A "PRO LIFE" CAMPAIGN WHICH AT TIMES HAS BORDERED ON THE HYSTERICAL. THE BISHOP OF LUXEMBOURG, WHILE IN NO WAY QUALIFYING HIS OPPOSITION TO THE REFORM, FELT CALLED UPON TO INTERVENE SEVERAL WEEKS AGO T URGE THAT THE DEBATE BE CONDUCTED WITH MORE CIVILITY BY THE CATHOLIC SIDE.

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4. THE PRIME MINISTER'S CHEF DE CABINET, PAUL HELMINGER, TELLS US THAT THE GOVERNMENT CANNOT AVOID BRINGING THE BILL TO A VOTE LATER THIS SPRING. HELMINGER SEES THREE POSSIBLE COUTCOMES. THE FIRST IS THAT THE BILL COULD BE DEFEATED BECAUSE SEVERAL LIBERAL AND SOCIALISTS DEPUTIES CANNOT IN CONSCIENCE SUPPORT IT (THE COALITION HAS A MAJORITY OF ONLY THREE SEATS IN THE CHAMBER).

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 USIA-06
EB-08 TRSE-00 OMB-01 SOE-02 DOE-15 NRC-05 HEW-04
OES-07 /103 W

-----100683 231045Z /11

R 221700Z MAR 78

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SECOND, THE BILL COULD PASS BUT ONLY WITH THE AID OF COMMUNIST VOTES. THIRD, THE BILL COULD BE AMENDED AT THE COMMITTEE STAGE TO MAKE IT MORE COMPATIBLE WITH CATHOLIC SENSITIVITIES, BUT AT THE EXPENSE OF SUPPORT FROM FAMILY-PLANNING AND FEMINIST GROUPS. THE GOVERNMENT HAS NOT MADE THE BILL A QUESTION OF CONFIDENCE AND REJECTION BY THE CHAMBER WOULD NOT RESULT IN DISSOLUTION OF PARLIAMENT OR EARLY ELECTIONS. BUT ANY OF THE THREE RESULTS WHICH NOW APPEAR LIKELY WOULD MEAN, AT THE LEAST, SERIOUS EMBARRASSMENT FOR THE GOVERNMENT -- PARTICULARLY IF THE BILL PASSES THANKS TO COMMUNIST VOTES. HELMINGER ADMITS THAT THE GOVERNMENT HAS PAINTED ITSELF INTO A CORNER ON THE ABORTION ISSUE.

5. IN SPITE OF THESE PROBLEMS, THE GOVERNMENT COALITION IS HOLDING TOGETHER REMARKABLY WELL. THERE ARE NO SERIOUS PERSONALITY CONFLICTS WITHIN THE COUNCIL OF MINISTERS AND BOTH LIBERALS AND SOCIALISTS BELIEVE THEY HAVE MORE IN COMMON WITH EACH OTHER THAN WITH THE CHRISTIAN SOCIALISTS.

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6. ANOTHER FACTOR REINFORCING LIBERAL/SOCIALIST COMPATIBILITY IS, PARADOXICALLY, GASTON THORN'S INTELLECTUAL AND POLITICAL DOMINANCE IN THE COALITION. THE PS BELIEVES THORN'S PERSONAL POPULARITY COULD HAVE A COAT-TAIL EFFECT FOR THEIR CANDIDATES IF THE COALITION REMAINS UNITED THROUGH THE NEXT ELECTIONS. MOREOVER, THE SOCIALISTS HAVE NO CREDIBLE CANDIDATE FOR PRIME MINISTER AND WOULD BE SATISFIED IF THEY COULD HOLD THE PORTFOLIOS THEY NOW HOLD IN A FUTURE GOVERNMENT (LABOR, PUBLIC WORKS, JUSTICE, NATIONAL EDUCATION, INTERIOR AND FINANCE). IN THE CASE OF THE CHRISTIAN SOCIALISTS, HOWEVER, THEIR LEADER, FORMER PRIME MINISTER PIERRE WERNER, IS A CREDIBLE CHOICE FOR PRIME MINISTER WERE A CHRISTIAN SOCIALIST/LIBERAL COALITION TO BE FORMED. BUT SINCE IT IS EXTREMELY UNLIKELY THAT GASTON THORN WOULD ACCEPT LESS THAN THE NUMBER ONE JOB IN ANY COALITION GOVERNMENT, THORN'S INTERESTS ARE FIRMLY LINKED TO A CONTINUATION OF THE PRESENT LIBERAL/SOCIALIST ALLIANCE.

7. LUXEMBOURG' ELECTORAL SYSTEM MAKES GOVERNMENT BY COALITION A NECESSITY EXCEPT UNDER EXTREMELY UNUSUAL CIRCUMSTANCES. THE FIFTY-NINE DEPUTIES IN THE CHAMBER ARE ELECTED FROM FOUR DISTRICTS, WITH THE NUMBER OF DEPUTIES FROM EACH DISTRICT BASED ON POPULATION. VOTERS CHOOSE FROM PARTY LISTS OF CANDIDATES AND SEATS ARE DISTRIBUTED ACCORDING TO PROPORTIONAL REPRESENTATION. THE NUMBER OF ELIGIBLE VOTERS IN A DISTRICT IS DIVIDED BY THE NUMBER OF SEATS AT STAKE, WHICH GIVES THE NUMBER OF VOTES

NECESSARY TO WIN ONE SEAT. IF A PARTY WINS DOUBLE THE REQUIRED NUMBER OF VOTES FOR ONE SEAT IT WINS TWO SEATS, AND SO ON. THE SYSTEM ASSURES SMALL PARTIES REPRESENTATION IN THE ASSEMBLY AND, GIVEN THE STABILITY OF PUBLIC SUPPORT FOR THE MAJOR PARTIES, MAKES IT NEARLY IMPOSSIBLE FOR ANY ONE PARTY TO WIN A MAJORITY ON ITS OWN. IN FACT, ALL OF THE GOVERNMENTS SINCE 1945 HAVE BEEN COALITION GOVERNMENTS, FORMED SOMETIMES BY CHRISTIAN SOCIALISTS AND SOCIALISTS, SOMETIME BY CHRISTIAN SOCIALISTS
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AND LIBERAL AND SOMETIMES BY REPRESENTATIVES OF ALL THREE MAJOR PARTIES. THE PRESENT LIBERAL "SOCIALIST COALITION IS THE FIRST GOVERNING COALITION FROM WHICH THE CRISTIAN SOCIALISTS HAVE BEEN EXCLUDED SINCE WELL BEFORE WORLD WAR II.

8. UNLESS THE PRESENT GOVERNMENT CAN REGISTER ECONOMIC GAINS AND DEFUSE THE NUCLEAR AND ABORTIONS CONTROVERSIES BEFORE 1979, THE CSP, AND PERHAPS THE SMALL RIGHT-OF-CENTER SOCIAL DEMOCRATIC PARTY WHICH IS ALSO IN THE OPPOSITION, ARE LIABLE TO MAKE SIGNIFICANT GAINS IN THE ELECTIONS. VOTING SHIFTS OF AVALANCHE PROPORTIONS (BY LUXEMBOURG STANDARDS) WOULD BE NECESSARY TO GIVE THE CSP (PRESENTLY 18 SEATS) AND THE SOCIAL DEMOCRATS (PRESENTLY 5 SEATS) AN ABSOLUTE MAJORITY 30 SEATS), AND MOST LUXEMBOURG POLITICAL OBSERVERS DO NOT PREDICT SHIFTS OF THAT MAGNITUDE. BUT EVEN IF THE OPPOSITION PICKS UP TWO OR THREE SEATS, THE CSP WILL BE IN A STRONG POSITION TO LEAD A NEW COALITION. BECAUSE OF THE THORN-WERNER PROBLEM MENTIONED ABOVE, IT APPEARS LIKELY AT THIS TIME THAT THE CSP MIGHT TRY TO ALLY WITH THE SOCIALIST RATHER THAN WITH THORN'S LEVERALS, IN SPITE OF IDEOLOGICAL DIFFERENCES BETWEEN THE CSP AND THE PS.

9. FROM THE POINT OF VIEW OF UNITED STATES INTERESTS, IT MAKES LITTLE DIFFERENCE WHO WINS THE NEXT ELECTIONS. THE CHRISTIAN SOCIALIST ARE IF ANYTHING MORE PRO-AMERICAN, PRO-ATLANTIC ALLIANCE AND PRO-EUROPEAN ECONOMIC COMMUNITY THAN THE PRESENT GOVERNMENT. THE ONLY NOTICEABLE DIFFERENCE WOULD BE THAT A GOVERNMENT HEADED BY THE OLDER, LESS FLAMBOYANT PIERRE WERNER WOULD PROBABLY PLAY A LESS ACTIVE INTERNATIONAL ROLE THAN A GOVERNMENT HEADED BY GASTON THORN. OF MORE IMMEDIATE INTEREST, THORN CAN BE EXPECTED TO SPEND MORE TIME DURING THE NEXT YEAR MENDING HIS DOMESTIC POLITICAL FENCES AND LESS ON INTERNATIONAL ISSUES THAN HAS BEEN THE CASE IN THE PAST. LOWENSTEIN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRIME MINISTER, PERSONAL OPINION, POLITICAL STABILITY, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 22 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LUXEMB00322
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780128-0048
Format: TEL
From: LUXEMBOURG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780338/aaaabfuh.tel
Line Count: 269
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c462c1bf-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3240716
Secure: OPEN
Status: NATIVE
Subject: LUXEMBOURG INTERNAL POLITICS - SPRING 1978 SUMMARY: PRIME MINISTER GASTON THORN'S PERSONAL POPULARITY REMAINS HIGH AFTER NEARLY FOUR YEARS IN OFFICE , BU
TAGS: PEPR, LU
To: STATE USEEC
Type: TE
vdkgvwkey: odbcc://SAS/SAS.dbo.SAS_Docs/c462c1bf-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014